



General Assembly

Substitute Bill No. 104

February Session, 2014



AN ACT PROVIDING FINANCIAL RELIEF TO NURSING HOMES FOR UNCOMPENSATED CARE.

Be it enacted by the Senate and House of Representatives in General Assembly convened:

1 Section 1. Section 17b-320 of the general statutes is repealed and the
2 following is substituted in lieu thereof (*Effective July 1, 2014*):

3 (a) For purposes of this section and section 17b-321:

4 (1) "Commissioner" means the Commissioner of Revenue Services;

5 (2) "Department" means the Department of Revenue Services;

6 (3) "Nursing home" means any licensed chronic and convalescent
7 nursing home or a rest home with nursing supervision, but does not
8 include, upon approval of the waiver of federal requirements for
9 uniform and broad-based user fees in accordance with 42 CFR 433.68,
10 pursuant to section 17b-323, any nursing home that is owned and
11 operated as of May 1, 2005, by the legal entity that is registered as a
12 continuing care facility with the Department of Social Services in
13 accordance with section 17b-521, regardless of whether such nursing
14 home participates in the Medicaid program and any nursing home
15 licensed after May 1, 2005, that is owned and operated by the legal
16 entity that is registered as a continuing care facility with the
17 Department of Social Services in accordance with section 17b-521;

18 (4) "Medicare day" means a day of nursing home care service
19 provided to an individual who is eligible for payment, in full or with a
20 coinsurance requirement, under the federal Medicare program,
21 including fee for service and managed care coverage;

22 (5) "Medicaid pending day" means a day of nursing home care
23 service provided to an individual who has filed an application for
24 benefits under the federal Medicaid program;

25 [(5)] (6) "Resident day" means a day of nursing home care service
26 provided to an individual and includes the day a resident is admitted
27 and any day for which the nursing home is eligible for payment for
28 reserving a resident's bed due to hospitalization or temporary leave
29 and for the date of death. For purposes of this subdivision, a day of
30 nursing home care service shall be the period of time between the
31 census-taking hour in a nursing home on two successive calendar
32 days. "Resident day" does not include a Medicare day or the day a
33 resident is discharged or any Medicaid pending day until such time as
34 the nursing home has received Medicaid payment for nursing home
35 care services provided;

36 [(6)] (7) "Nursing home net revenue" means amounts billed by a
37 nursing home for all room, board and ancillary services, minus (A)
38 contractual allowances, (B) payer discounts, (C) charity care, and (D)
39 bad debts; and

40 [(7)] (8) "Contractual allowances" means the amount of discounts
41 allowed by a nursing home to certain payers from amounts billed for
42 room, board and ancillary services.

43 (b) (1) (A) For each calendar quarter commencing on or after July 1,
44 2005, there is hereby imposed a resident day user fee on each nursing
45 home in this state, which fee shall be the product of the nursing home's
46 total resident days during the calendar quarter multiplied by the user
47 fee, as determined by the Commissioner of Social Services pursuant to
48 subsection (a) of section 17b-321.

49 (B) Commencing with the calendar quarter in which approval of the
50 waiver of federal requirements for uniform and broad-based user fees
51 in accordance with 42 CFR 433.68 pursuant to section 17b-323 is
52 granted, the resident day user fee shall be the product of the nursing
53 home's total resident days during the calendar quarter multiplied by
54 the user fee, as redetermined by the Commissioner of Social Services
55 pursuant to subsection (b) of section 17b-321.

56 (2) Each nursing home shall, on or before the last day of January,
57 April, July, and October of each year, render to the commissioner a
58 return, on forms prescribed or furnished by the commissioner, stating
59 the nursing home's total resident days during the calendar quarter
60 ending on the last day of the preceding month and stating such other
61 information as the commissioner deems necessary for the proper
62 administration of this section. The resident day user fee imposed
63 under this section shall be due and payable on the due date of such
64 return. Each nursing home shall be required to file such return
65 electronically with the department and to make such payment by
66 electronic funds transfer in the manner provided by chapter 228g,
67 irrespective of whether the nursing home would have otherwise been
68 required to file such return electronically or to make such payment by
69 electronic funds transfer under the provisions of said chapter 228g.

70 (c) Whenever such resident day user fee is not paid when due, a
71 penalty of ten per cent of the amount due or fifty dollars, whichever is
72 greater, shall be imposed, and interest at the rate of one per cent per
73 month or fraction thereof shall accrue on such user fee from the due
74 date of such user fee until the date of payment.

75 (d) The commissioner shall notify the Commissioner of Social
76 Services of any amount delinquent under [sections 17b-320 to 17b-323,
77 inclusive] this section and sections 17b-321 and 17b-323, and, upon
78 receipt of such notice, the Commissioner of Social Services shall deduct
79 and withhold such amount from amounts otherwise payable by the
80 Department of Social Services to the delinquent nursing home.

81 (e) The provisions of section 12-548, sections 12-550 to 12-554,
82 inclusive, and section 12-555a shall apply to the provisions of this
83 section in the same manner and with the same force and effect as if the
84 language of said sections had been incorporated in full into this section
85 and had expressly referred to the user fee imposed under this section,
86 except to the extent that any provision is inconsistent with a provision
87 in this section. For purposes of section 12-39g, the resident day user fee
88 shall be treated as a tax.

89 (f) The commissioner may enter into an agreement with the
90 Commissioner of Social Services delegating to the Commissioner of
91 Social Services the authority to examine the records and returns of any
92 nursing home subject to the resident day user fee imposed under this
93 section and to determine whether such user fee has been underpaid or
94 overpaid. If such authority is so delegated, examinations of such
95 records and returns by the Department of Social Services and
96 determinations by said department that such user fee has been
97 underpaid or overpaid, shall have the same effect as similar
98 examinations or determinations made by the Department of Revenue
99 Services.

100 (g) (1) The commissioner shall not collect the resident day user fee
101 pursuant to this section until the Commissioner of Social Services
102 informs the commissioner that all the necessary federal approvals are
103 in effect to secure federal financial participation matching funds
104 associated with the rate increases as described in subdivision (4) of
105 subsection (f) of section 17b-340.

106 (2) The commissioner shall cease to collect the resident day user fee
107 pursuant to this section if the Commissioner of Social Services informs
108 the commissioner that the federal approvals described in subdivision
109 (1) of this subsection are withheld or withdrawn.

<p>This act shall take effect as follows and shall amend the following sections:</p>
--

Section 1	<i>July 1, 2014</i>	17b-320
-----------	---------------------	---------

HS *Joint Favorable C/R* APP

APP *Joint Favorable Subst.*

FIN *Joint Favorable*